Grants in aid to States

3709. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many State Governments have demanded scrapping of all Central schemes and transfer of funds thus saved to States to enable them to formulate their own schemes;

(b) whether it is also a fact that there has been gradual decline in the quantum of grants-in-aid to the States and corresponding increase in the loans sanctioned to them;

(c) if so, the details of grants-in-aid and loans to the States during the last two years;

(d) the reasons for this change; and

(e) what is Government's reaction to the demands of State Governments for more and more developmental funds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The issue of transfer/ abolition of Centrally Sponsored Schemes (CSS) was raised by many State Governments during the 49th National Development Council meeting.

(b) to (d) Central assistance to States, for State Plan have shown an increase both in terms of block grants and block loans. An amount of Rs. 16272.98 crores as block grants and Rs. 20344.39 crores as block loans were released during 2001-02 as against Rs. 15640.41 crores and Rs. 17023.98 crores respectively during 2000-01.

(e) Tht budgetary support for States and Union Territories plan has increased by 14.73% from a level of Rs. 40644.00 crorcs in 2001-02 to Rs. 46629.08 crores in 2002-03.